

# Public Document Pack



## Democratic Services

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Date: 20 January 2023

Dear Councillor

### CABINET - TUESDAY 24 JANUARY 2023

I am now able to enclose the following reports for the agenda of the Cabinet due to take place on Tuesday 24 January 2023

<b>Agenda No</b>	<b>Item</b>
------------------	-------------

- |    |   |
|----|---|
| 6. | <b><u>Prudential Code Indicator Monitoring 2022/23 and Quarter 3 Treasury Activity Report</u> (Pages 31 - 45)</b> |
| 7. | <b><u>Budget monitoring Q3 and virement report</u> (Pages 47 - 72)</b>  |
| 8. | <b><u>Gedling plan Q3 performance report</u> (Pages 73 - 90)</b>  |

Yours sincerely

Democratic Services  
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## Report to Cabinet

**Subject:** Prudential Code Indicator Monitoring 2022/23 and Quarterly Treasury Activity Report for Quarter ended 31 December 2022

**Date:** 24 January 2023

**Author:** Head of Finance and ICT

### Wards Affected

All

### Purpose

To inform Members of the performance monitoring of the 2022/23 Prudential Code Indicators, and to advise Members of the quarterly Treasury activity as required by the Treasury Management Strategy.

### Key Decision

This is **not** a key decision.

#### Recommendation

That:

1. Members note the report, together with the Treasury Activity Report 2022/23 for Quarter 3 at Appendix 1, and the Prudential and Treasury Indicator Monitoring 2022/23 for Quarter 3, at Appendix 2.

## 1 Background

- 1.1 The Council is required by regulations issued under the Local Government Act 2003 to report on its Prudential Code indicators and treasury activity. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.2 For 2022/23 the minimum reporting requirements are that the Full Council should receive the following reports:

- An annual Treasury Strategy in advance of the year (the TMSS, considered by Cabinet on 17 February 2022 and subsequently approved by Full Council on 3 March 2022);
- A mid-year treasury update report;
- An annual review following the end of the year describing the activity compared to the Strategy.

In accordance with best practice, quarterly monitoring reports for treasury activity are provided to Members, and this exceeds the minimum requirements.

1.3 The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report provides details of the position at 31 December 2022 and highlights compliance with the Council's policies.

## **2 Proposal**

### **2.1 Economic Update**

Gross Domestic Product (GDP) in quarter 3 of 2022/23 was revised to 0.3% as opposed to a reduction of 0.2% in quarter 2 which meant that the United Kingdom has avoided a recession for 2022.

CPI inflation peaked in October at a 41-year high of 11.1% and fell to 10.7% in November. Goods price inflation, which is driven largely by global factors, may have peaked. The sharp rises in energy prices in 2022, if not sustained, could mean that energy price inflation will fall sharply in 2023. Meanwhile, the large fall in agricultural prices since May means that food price inflation should start to decline soon. What's more, upward pressure on goods price inflation from global supply shortages appears to be fading quickly.

The Monetary Policy Committee (MPC) has recently increased the interest rate from 2.75% to 3.50% and they are now at their highest level since the global financial crisis in 2008.

### **2.2 Interest rate forecast**

Link Asset Services (LAS) provide treasury advisory services to the Council and their latest forecast of interest rates as at on 19 December 2022 is shown in the table below. Public Works Loan Board (PWLB) rates in the table are based on the Certainty Rate which include a 0.2% reduction on the standard rates.

LAS expect the Monetary Policy Committee (MPC) to increase the interest rate to 4.50% by June 2023 in response to the Government's fiscal loosening, the tight labour market and inflation expectations and then fall back to 2.50% by September 2025.

Link Group Interest Rate View	19.12.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.20	4.20	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.30	4.40	4.40	4.30	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.30
25 yr PWLB	4.60	4.60	4.60	4.50	4.40	4.20	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.30	4.30	4.20	4.10	3.90	3.80	3.70	3.60	3.50	3.30	3.20	3.20

## 2.4 Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2022/23, which includes the Annual Investment Strategy, was approved by Council on 3 March 2022, and sets out the Council's investment priorities as:

- Security of capital;
- Liquidity;
- Yield.

Whilst the Council will always seek to obtain the optimum return (yield) on its investments, this will at all times be commensurate with proper levels of security and liquidity. In the current economic climate it is considered appropriate either to keep investments short term to cover cash flow needs, or to extend the period up to 12 months with highly rated financial institutions, selected by the use of the LAS creditworthiness methodology (see below) which includes consideration of sovereign ratings.

Investment counterparty limits for 2022/23 are generally **£3m** per individual counterparty, however a higher limit of **£4m** per Money Market Fund is considered prudent since such funds are already by definition highly diversified investment vehicles. There is no limit on investment with the Debt Management Office (DMO) since this represents lending to central government. The Chief Financial Officer (CFO) has delegated authority to vary these limits as appropriate, and then to report any change to Cabinet as part of the next quarterly report.

Members are advised that no new variations have been made during Q3 of 2022/23, having been previously advised of an extension to £4m with Santander and a limitation to £3m with the CCLA Investment Management's Public Sector Deposit Fund (PSDF), both for operational reasons. These variations remain in place.

Limits with investment counterparties have not exceeded the prevailing levels approved by the CFO during the period 1 April to 31 December 2022.

Credit ratings advice is taken from LAS and the Chief Financial Officer has adopted the LAS credit rating methodology for the selection of investment counterparties. This employs a sophisticated modelling approach utilising credit ratings from all three of the main rating agencies to give a suggested maximum duration for investments. Accordingly it does not place undue reliance on any one agency's ratings.

The methodology subsequently applies an "overlay" to take account of positive and negative credit watches and/or credit outlook information, which may increase or decrease the suggested duration of investments. It then applies a second overlay based on the credit default swap spreads for institutions, the monitoring of which has been shown to give an early warning of likely changes in credit ratings. It also incorporates sovereign ratings to ensure selection of counterparties from only the most creditworthy countries. The current Treasury Strategy permits the use of any UK counterparties subject to their individual credit ratings under the LAS methodology. It also permits the use of counterparties from other countries with a minimum sovereign rating of AA minus. For information, the UK currently has a rating of AA minus.

The LAS modelling approach combines all the various factors in a weighted scoring system and results in a series of colour coded bands which indicate the creditworthiness of counterparties. The colour bandings are as follows:

- Yellow 5 years (UK Government debt or its equivalent)
- Dark pink 5 years for Ultra Short Dated Bond Funds (credit score 1.25)
- Light pink 5 years for Ultra Short Dated Bond Funds (credit score 1.50)
- Purple 2 years
- Blue 1 year (nationalised or semi nationalised UK banks only)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

Significant downgrades by the Ratings agencies have not materialised since the beginning of the Covid-19 crisis in March 2020. Where changes were made these were generally limited to "outlooks". However, as economies have begun to reopen, there have been some instances of previous reductions to ratings being reversed.

Credit ratings are monitored weekly and the Council is also alerted to interim changes by its use of the LAS creditworthiness service, however ratings under the methodology, including sovereign ratings, will not necessarily be the sole determinant of the quality of an institution. Other information sources used will include the financial press, share price and other such information pertaining to the

banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

**The ultimate decision on what is prudent and manageable for the Council will be taken by the Chief Financial Officer under the approved scheme of delegation.**

## 2.5 Treasury Activity during Quarter 3 of 2022/23

The Treasury Activity Report for the quarter ended 31 December 2022 is attached at Appendix 1, in accordance with the Treasury Management Strategy.

Members will note that investment interest of £193,700 was generated from money market fund (MMF) activity, term deposits with banks and building societies, and the property fund, during the period from 1 April to 31 December 2022. This represents an overall equated rate for the Council of 0.87% and outperforms the benchmark 12 month compounded Sterling Overnight Index Average (SONIA) rate, which averaged 0.59% at 31 December 2022. In cash terms this represents additional income to the General Fund of around £62,340 and was achieved by positive investment management and, in particular a favourable return on the property fund (see below).

A forecast outturn of £287,000 for investment interest receivable in 2022/23 is presently anticipated. This represents an increase of £37,000 on the revised budget for the year of £250,000.

During the period from 1 April to 31 December 2022, significant use was made of the Council's three MMFs. These are AAA rated investment vehicles which allow the pooling of many billions of pounds into highly diversified funds, thus reducing risk. The current rates of return on these funds are between 1.9551% and 3.141%, which remain generally higher than overnight treasury deposit rates. The rate currently available from the Debt Management Office (DMO) is 3.45% and therefore the Council has been utilising this facility for 30 day investments when possible.

The Council made an investment of £1m in the CCLA Local Authorities Property Fund (LAPF) on 1 December 2017. The LAPF is a local government investment scheme approved by the Treasury under the Trustee Investments Act 1961 (section 11). Dividends are treated as revenue income and have in previous years averaged around 4%. The fund performed better than expected during 2021/22 despite challenging economic conditions and the equated dividend for the year remained at 4%. At the time of writing, confirmation of the Q3 dividend for 2022/23 had not been received but the dividend for Q2 of 2022/23 was £10,330 which when compared to the dividend of £9,030 for Q1 of 2022/23 appears to indicate an upward trend.

This investment allows the Council to introduce a property element into its investment portfolio without the risks associated with the direct purchase of assets. It should be noted however that the capital value is **not** guaranteed and can fall as well as rise. The certificated value of the investment at 31 March 2022 was £1,092,989 which was in excess of the original investment of £1m. This investment is regarded as a long-term commitment.

Interest rates in the market are now beginning to move upwards in response to the rise in the bank rate. As loans mature every effort is made to replace them at favourable rates. As regards investments, security and liquidity will always be the overriding factors in the Council's treasury management. As stated in 2.2 above, LAS currently forecast that Bank Rate will peak at 4.5% in March 2023 and then fall back to 2.5% by September 2025.

## 2.6 New borrowing

At 31 December 2022 no new borrowing had been undertaken. The projected outturn for PWLB interest payable is £361,000 compared with a budget of £395,000, a saving of £34,000.

The original 2022/23 budget assumed that additional borrowing of £3,000,000 would be undertaken in the year. This will not be required due to the deferral of capital schemes, including a number intended to be financed by borrowing from 2022/23 to 2023/24.

Advice will be taken from LAS with regard to the amount and timing of any additional borrowing, and should conditions become advantageous, some borrowing in advance of need will also be considered by the Chief Financial Officer. The Council's Capital Financing Requirement (CFR) represents its underlying need to borrow to finance capital investment. Due to favourable interest rates, borrowing in advance of need is sometimes desirable, with the result that the CFR can differ to the actual borrowing planned in the year.

Councils may not borrow in advance of need purely to profit from the investment of the extra sums borrowed. However, prudent early borrowing for a demonstrable service objective is permitted. Serious consideration must be given to the cost of carrying any additional borrowing during the period prior to it being required for the financing of capital expenditure since this places a further burden on the General Fund.

## 2.7 Debt rescheduling

When the current day PWLB rate for the same term is higher than that being paid on an existing loan there is the potential for a discount to be receivable if the loan is repaid prematurely.

Debt rescheduling opportunities were limited for many years due to both the low interest rate environment and the structure of PWLB interest rates. Rising interest rates may create debt rescheduling opportunities going forwards and advice in this regard will continue to be taken from LAS. No debt rescheduling has been undertaken during the period from 1 April to 31 December 2022.

## 2.8 Compliance with Prudential and treasury indicators

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limit. The Council's approved Prudential and Treasury Indicators (affordability limits) are included in the Treasury Management Strategy Statement (TMSS) approved by Full Council on 3 March 2022.

During the financial year to date the Council has at all times operated within the treasury limits and Prudential Indicators set out in the Council's TMSS, and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators as at 31 December 2022 are shown at Appendix 2.

### A) Prudential Indicators:

These indicators are based on estimates of expected outcomes, and are key indicators of "affordability". They are monitored on a quarterly basis, and Appendix 2 compares the approved indicators with the projected outturn for 2022/23, and shows variances on the indicators, as described below:

#### a. Capital Expenditure

The latest projected outturn shows that total capital expenditure is expected to be £11,746,700. This differs to the approved indicator of £6,460,300 due to the inclusion of approved carry-forward requests from 2021/22 and variations on the current year's capital programme.

#### b. Capital Financing Requirement (CFR)

The CFR represents the historic outstanding capital expenditure which has not yet been paid for from capital or revenue resources, and is essentially a measure of the Council's underlying borrowing need. The CFR does not increase indefinitely since the minimum revenue provision (MRP) is a statutory annual revenue charge for the economic consumption of capital assets.

At 31 December the projected closing CFR for 2022/23 is £13,659,300. This differs to the approved indicator of £16,250,800 due to deferrals on the 2021/22 capital programme into 2022/23 along with deferrals on the 2022/23 capital programme into 2023/24.

c. Gearing ratio

The concept of “gearing” compares the total underlying borrowing need (the CFR) to the Council’s total fixed assets and the gearing ratio can provide an early indication where debt levels are rising relative to long term assets held.

The projected gearing ratio at 31 March 2023 is 29%, which is in line with the approved indicator and is broadly comparable with the average gearing ratio for councils of a similar size.

d. Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of borrowing net of investment income against the net revenue stream. Financing costs represent the element of the Council’s budget to which it is committed even before providing any services.

The projected outturn of 9.62% for service related expenditure is marginally lower than the approved indicator of 9.76% and is due to the reduced borrowing costs for the year.

e. Maximum gross debt

The Council must ensure that its gross debt does not, except in the short term, exceed the opening capital financing requirement, plus estimates of any additional CFR for 2022/23 and the following two financial years. This allows flexibility for early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. The Council’s gross debt at 31 December 2022 was £10,811,577 which was within the approved indicator.

g. Ratio of internal borrowing to CFR

The Council is currently maintaining an “internal borrowing” position, ie. the underlying borrowing need (CFR) has not yet been fully funded with loan debt as cash supporting the Council’s reserves and balances is being used as a temporary measure.

The projected outturn for internal borrowing is 6%, which is lower than the approved indicator of 15% due to variations to the capital programme which, in turn, reduce the projected outturn for the CFR and hence the difference between the CFR and projected external borrowing.

## B) Treasury Management Indicators:

These indicators are based on limits, beyond which activities should not pass without management action. They include two key indicators of affordability and four key indicators of prudence.

### Affordability:

#### a. Operational boundary for external debt

This is the limit which external debt is not “normally” expected to exceed. In most cases, this would be a similar figure to the CFR, but it may be lower or higher depending on the levels of actual debt, and must allow for unusual cashflow movements.

#### b. Authorised limit for external debt

This limit represents a control on the “maximum” level of borrowing. It is the statutory limit determined under s3 (1) of the Local Government Act 2003 and represents the limit beyond which external debt is prohibited. The Authorised Limit must be set, and revised if necessary, by Full Council. It reflects a level of external debt which, while not desirable, could be afforded in the short term, but is not sustainable in the longer term. The Government retains an option to control either the total of all councils’ plans, or those of a specific council, although this power has not yet been exercised.

### Prudence:

#### c. Upper limits for the maturity structure of borrowing

These are set to reduce the Council’s exposure to large fixed rate sums falling due for refinancing.

#### d. Maximum new principal sums to be invested during 2022/23 for periods in excess of one year (365 days)

All such investments are classified as “non-specified”. This indicator is subject to the overall limit for non-specified investments set out in the TMSS, and to the overall limit per counterparty.

#### e. Interest rate exposure

The latest Treasury Management Code requires a statement in the TMSS explaining how interest rate exposure is managed and monitored by the Council, and this is repeated below:

*The Council has a general preference for fixed rate borrowing in order to minimise uncertainty and ensure stability in the charge to revenue, however it is acknowledged*

*that in certain circumstances, some variable rate borrowing may be prudent, for example if interest rates are expected to fall. The Council's investments are generally for cashflow purposes and accordingly a mix of fixed and variable rates will be used to maximise flexibility and liquidity. Interest rate exposure will be managed and monitored on a daily basis by the Chief Financial Officer.*

Local indicators for the proportions of fixed and variable rate loans, have been retained by the Council for information purposes.

Appendix 2 shows the actual position as at 31 December 2022, and demonstrates that all activities are contained within the currently approved limits.

## 2.9 Other Issues

### Changes in Risk Appetite

The CIPFA Prudential Code and Treasury Management Code (both updated in 2021) have placed greater importance on risk management. Where a local authority changes its risk appetite (for example, moving surplus cash into or out of certain types of investment funds or other investment instruments) then this change in risk appetite should be brought to Members attention in treasury management update reports. There are no changes in risk appetite to report.

There are no other significant treasury management issues that have arisen since approval of the TMSS on 3 March 2022 that need to be brought to the attention of Members.

## **3 Alternative Options**

An alternative option is to fail to present a mid-year Prudential Code Indicator Monitoring and Treasury Activity Report. This would contravene the minimum requirements as set out in the relevant legislation.

The Council's Treasury Management Strategy Statement (TMSS) requires the presentation of quarterly treasury management reports to Members and exceeds the minimum requirement.

## **4 Financial Implications**

No specific financial implications are attributable to this report.

## **5 Legal Implications**

There are no legal implications arising from this report.

## **6 Equalities Implications**

There are no equalities implications arising from this report.

## **7 Carbon Reduction/Environmental Sustainability Implications**

There are no carbon reduction/environmental sustainability implications arising from this report.

## **8 Appendices**

1. Treasury Activity Report 2022/23 for Quarter 3 (31 December 2022).
2. Prudential and Treasury Indicator Monitoring 2022/23 for Quarter 3.

## **9 Background Papers**

None identified.

## **10 Reasons for Recommendation**

To comply with the requirements of the Council's Treasury Management Strategy Statement.

### **Statutory Officer approval:**

**Approved by:** Chief Financial Officer

**Date:** 19.01.2023

**Approved by:** Monitoring Officer

**Date:** 19.01.2023

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For Quarter ended 31 December 2022

	<u>Position @</u> <u>1 October 2022</u>	<u>Loans Made</u> <u>During Q3</u>	<u>Loans Repaid</u> <u>During Q3</u>	<u>Position @</u> <u>31 December 2022</u>
	£	£	£	£
<b><u>Long Term Borrowing</u></b>				
PWLB	10,811,577	0	0	10,811,577
<b>Total Long Term Borrowing</b>	<b>10,811,577</b>	<b>0</b>	<b>0</b>	<b>10,811,577</b>
<b><u>Temporary Borrowing</u></b>				
Local Authorities	0	0	0	0
Central Government	0	0	0	0
Banks & Other Institutions	0	0	0	0
<b>Total Temporary Borrowing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL BORROWING</b>	<b>10,811,577</b>	<b>0</b>	<b>0</b>	<b>10,811,577</b>
<b><u>Long Term Investment</u></b>				
CCLA Local Authorities Property Fund (LAPF)*	(1,000,000)	0	0	(1,000,000)
<b>Total Long Term Investment</b>	<b>(1,000,000)</b>	<b>0</b>	<b>0</b>	<b>(1,000,000)</b>
<b><u>Short Term Investment</u></b>				
Aberdeen Standard MMF	(4,000,000)	0	0	(4,000,000)
Bank of Scotland	0	0	0	0
Barclays	(3,000,000)	(3,000,000)	3,000,000	(3,000,000)
Blackrock MMF	(3,770,000)	(7,457,300)	10,417,300	(810,000)
CCLA PSDF (MMF)	(3,000,000)	0	0	(3,000,000)
Close Brothers	(2,000,000)	0	0	(2,000,000)
Debt Management Office	(3,750,000)	(21,610,000)	10,900,000	(14,460,000)
Goldman Sachs	(3,000,000)	0	0	(3,000,000)
HSBC Treasury	(3,000,000)	0	1,000,000	(2,000,000)
Local Authorities & Other	0	0	0	0
Nationwide	(3,000,000)	(3,000,000)	3,000,000	(3,000,000)
Santander	0	0	0	0
<b>Total Short Term Investment</b>	<b>(28,520,000)</b>	<b>(35,067,300)</b>	<b>28,317,300</b>	<b>(35,270,000)</b>
<b>TOTAL INVESTMENT (See below)</b>	<b>(29,520,000)</b>	<b>(35,067,300)</b>	<b>28,317,300</b>	<b>(36,270,000)</b>
<b>NET BORROWING / (INVESTMENT)</b>	<b>(18,708,423)</b>	<b>(35,067,300)</b>	<b>28,317,300</b>	<b>(25,458,423)</b>

**Temporary Borrowing & Investment Statistics at 31 December 2022**

**Investment:**

Fixed Rate Investment	(17,750,000)	(27,610,000)	17,900,000	(27,460,000)
Variable Rate Investment	(11,770,000)	(7,457,300)	10,417,300	(8,810,000)
<b>TOTAL INVESTMENT</b>	<b>(29,520,000)</b>	<b>(35,067,300)</b>	<b>28,317,300</b>	<b>(36,270,000)</b>

Proportion of Fixed Rate Investment	75.71%
Proportion of Variable Rate Investment	24.29%
Temporary Investment Interest Receivable	£ 193,700
Equated Temporary Investment	£ 22,233,949
Weighted Average Interest Rate Received (Interest Receivable / Equated Investment)	0.87%
Compounded SONIA (6 month backward looking)	0.99%
Compounded SONIA (12 month backward looking)	0.59%

**Borrowing:**

Temporary Borrowing Interest Payable	£ -
Equated Temporary Borrowing	£ -
Weighted Average Interest Rate Paid (Interest Payable / Equated Borrowing)	n/a

	<u>If SONIA</u>	<u>Worse/Better by</u>
6 Month	220,417	(26,717)
12 Month	131,360	62,340

\* The long-term investment of £1,000,000 in the CCLA Local Authorities Property Fund (LAPF) shown represents the sum originally invested and not the current value. The certificated value at 31 March 2022 was £1,092,989.

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	2022/23 Original Estimate (Council 03/03/22)	2022/23 Position at 31-Dec-22
<b>A) Prudential Indicators</b>		
<u>Affordability:</u>		
i) Capital Expenditure	£ 6,460,300	£ 11,746,700
ii) Capital Financing Requirement	£ 16,250,800	£ 13,659,300
iii) Gearing (CFR to Long Term Assets)	35%	29%
iv) Ratio of Financing Costs to Net Revenue Stream-Services	9.76%	9.62%
v) Maximum Gross Debt	£ 16,517,100	£ 10,811,577
vi) Ratio of Internal Borrowing to CFR	15%	6%
<b>B) Treasury Management Indicators</b>		
<u>Affordability:</u>		
i) Operational Boundary for External Debt:		
Borrowing	£ 17,500,000	£ 10,811,577
Other Long Term Liabilities	£ 1,500,000	-
Total Operational Boundary	£ 19,000,000	£ 10,811,577
ii) Authorised Limit for External Debt:		
Borrowing	£ 18,500,000	£ 10,811,577
Other Long Term Liabilities	£ 1,500,000	-
Total Authorised Limit	£ 20,000,000	£ 10,811,577
<u>Prudence:</u>		
iii) Investment Treasury Indicator and limit: Max. NEW principal sums invested in 2022/23 for periods OVER 365 days (ie. non-specified investments), subject to maximum non specified per counterparty of £3m AND to the prevailing overall counterparty limit, AND to the TOTAL non specified limit of £5m.	£ 3,000,000	£ -
iv) Upper & Lower limits for the maturity structure of outstanding Borrowing during 2022/23:		
Under 1 Year	40%	0%
1 Year to 2 Years	40%	0%
2 Years to 5 Years	50%	0%
5 Years to 10 Years	50%	6%
Over 10 Years	100%	94%

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## Report to Cabinet

**Subject:** Quarterly Budget Monitoring and Virement Report – Quarter 3  
December 2022

**Date:** 24 January 2023

**Author:** Senior Leadership Team

### Wards Affected

Borough-wide

### Purpose

- To update Cabinet on the forecast outturn for Revenue and Capital Budgets for 2022/23. The budgets include all approved carried forward amounts from the 2021/22 financial year.
- To request approval from Cabinet for the changes to the budget as set out in this report.

### Key Decision

This is a key decision.

### Recommendation(s)

#### Members are recommended:

- 1) To approve the General Fund Budget virements set out in Appendix 1;
- 2) To note the use of reserves and funds during quarter three as detailed in Appendix 2;
- 3) To approve the changes to the capital programme included in paragraph 2.3.

## 1. Background

- 1.1 The Council has made a commitment to closely align budget and performance management. This is in line with accepted good practice.
- 1.2 To deliver this commitment, systems to monitor performance against revenue and capital budgets, improvement activity and performance indicators have all been brought together and are now embedded in the way the Council works. Whilst the budget and performance information is presented in 2 separate reports, they are reported to Cabinet together and will appear on the same agenda.
- 1.3 The Financial Management system has been updated to reflect the recent changes in Portfolio Holder responsibilities. This report is now based upon those new Portfolio Holder responsibilities.

## 2. Proposal

### 2.1 General Fund Revenue Budget Summary

The following table summarises the overall financial position of the General Fund Revenue Budget and the expected total spend for the year. This information has been compiled using the best information made available to Financial Services by the relevant spending officers as at 31 December 2022.

#### General Fund Revenue Budget 2022/23 – Change Analysis

	£
<b>Net Council Budget for 2022-23 approved by Council on 3 March 2022 and Cabinet's Maximum Budget is:</b>	<b>12,374,100</b>
Up to the end of December 2022 expenditure less income totalled	11,375,935
In the remaining 3 months of year we expect net expenditure to be	941,365
<b>Total net revenue spend for the year is currently expected to be</b>	<b>12,317,300</b>
<b>Total Projected Revenue (Under)/ Overspend 2022/23</b>	<b>(56,800)</b>
<b>Proposed Transfer to Inflationary Pressures Reserve For Approval</b>	56,800
<b>Total net revenue spend for the year is expected to be</b>	<b>12,374,100</b>

Appendix 1 outlines how the General Fund Revenue budget is divided between the Portfolios of the Council and includes a detailed variance analysis identifying the current proposed changes for quarter three against the approved budget for each Portfolio area. Cabinet is recommended to approve these changes.

It is proposed that the projected underspend of £56,800 for 2022/23 is transferred to the inflationary pressures reserve.

The major variances detailed in Appendix 1 include:

Expenditure:

- £150,000 for the refund of Taxi Licencing fees overcharged in prior years, identified in a review of the fee setting regime and reported to Environment and Licencing Committee on 24 January 2023;
- Saving of (£37,800) in Leisure Centres due to vacancies being covered by casual staff and a reduced number of bookings;
- Efficiency of £45,000 expected from a review of operations at the Richard Herrod Centre will not be met in 2022/23 and will be deferred to 2023/24;
- Saving of (£34,000) on borrowing costs in 2022/23 due primarily to deferrals on the 2022/23 capital programme into 2023/24;
- Saving of (£27,000) due to the vacant Director post.

Income:

- Savings on Rent Allowances of (£77,600) due to a reduction in bad debt provision relating to cases moving to Universal Credit;
- Additional backdated civic centre rental income from partners following confirmation of the contract formula (based on RPI) for rent increases (£60,300);
- Additional investment income receivable of (£36,000) due to a combination of higher than anticipated balances available for investment and rising interest rates;
- Additional Income of (£22,400) due to the early introduction of swimming classes;
- Reduction of £45,000 in the anticipated income from burials.

Details of the budget virements authorising the usage of Earmarked Reserves and Revenue Budget Funds as approved by the Chief Financial Officer and relevant Corporate Director in accordance with Financial Regulations are set out in **Appendix 2**. No virements were approved by Portfolio Holders for amounts of £50,000 or less during quarter three.

### **Cost of Living - Inflationary Pressures**

As highlighted in the Quarter 2 monitoring report presented to Cabinet on 3 November 2022 and in Appendix 1, increasing pressures arising from the cost of living crisis are affecting all organisations as well as this Council. Close attention is therefore being paid to this and attempts are being made to capture and report upon the likely impact. It is intended that a review of the Medium Term Financial Plan (MTFP) be undertaken to incorporate these and any other items that may significantly affect the Councils income and expenditure and that this be included in the General Fund revenue budget 2023/24 report to Cabinet on 16 February 2023.

### **Budget Impacts - Cost and Income**

As reported in the quarter two report, the cost of living crisis is having an impact upon staff as the rising prices impact upon disposable income. The Council has included a sum of £418,700 in the 2022/23 Revenue Budget for the April 2022 pay award based upon an assumed 3.0% increase. On 25 July 2022 the National Employers proposed an increase of £1,925 on all NJC pay points 1 and above with effect from 1 April 2022, and this has cost the council in excess of £950,000, resulting in an additional budget allocation of £531,300 being added to the budget.

In response to the cost of living pressures, the Council established an Inflationary Pressures Contingency Reserve with an increased allocation of £296,500, however this was reduced to zero to part fund the pay award. As detailed above it is now proposed that the projected underspend identified this quarter of £56,800 is transferred to the inflationary pressures reserve for emerging pressures.

Despite the difficult economic environment, good performance is being maintained as regards collection rates for council tax and business rates. As at 31 December 2022, 81.5% of council tax due for collection in 2022/23 had been received compared to an estimate of 82.7% at that date. The position for business rates was better, with 84.5% of the sum due for collection having been received compared to a target of 82.3% at that date.

One positive consequence of the cost of living crisis is an increase in the base rate set by the Monetary Policy Committee (MPC) which now stands at 3.50%. This has increased the amount of investment income expected, with £287,000 now anticipated in 2022/23.

## Support for Residents

The Council made some provision to alleviate the impact of some cost pressures for the most financially vulnerable residents. For example, the Council has delivered £60,000 of hardship relief to council taxpayers in receipt of Council Tax Reduction Scheme (CTRS) support. In addition to distributing almost £6.9m in mandatory energy bill rebates in accordance with the Government's scheme to pay £150 to households in council tax bands A to D, the Council has received discretionary funding of £172,800 which has been distributed in accordance with its own eligibility criteria. The Council provides discretionary housing payments to assist with housing costs for which it receives some grant funding. However the demands in 2022/23 are exceeding the budget of £104,000 and it is presently expected that expenditure of £145,000 will be incurred for the year. The Council helps support the Household Support Fund by making referrals to Nottinghamshire County Council of vulnerable residents that may be eligible for assistance.

## 2.2 Efficiency programme – Progress Update

Since 2014/15 the Council has approved six separate budget reduction programmes totalling £7m net of risk provision, including the new programme of £545,000 approved during the 2022/23 budget process.

Of the total £7m programme, £1,169,200 remains to be delivered over the period 2022/23 to 2024/25.

At quarter 3 the Council is deferring £55,000 efficiencies to 2023/24, therefore the revised programme for 2022/23 is now £687,000.

<b>Movements on Efficiencies 2022/23</b>	
	<b>£</b>
<b>Approved Efficiency Programme 2022/23</b>	<b>(763,700)</b>
<b>Quarter 1 Deferrals</b>	0
<b>Quarter 2 Deferrals</b>	21,700
<b>Deferred Efficiencies to 2023/24 at Quarter 3</b>	
Review of Operations (Richard Herrod)	45,000
Building Control Income	10,000
<b>Quarter 3 movements</b>	<b>55,000</b>
<b>Revised 2022/23 Efficiency Programme</b>	<b>(687,000)</b>

## 2.3 Capital Programme

Appendix 3 details the current projected position on the Capital Programme and its financing for 2022/23, analysed by Portfolio, and this is summarised in the table below. Cabinet is recommended to approve these changes.

Quarter 3 amendments to the current capital programme of £240,300 are presented in the following table.

<b>Capital Budget 2022/23 - Change Analysis</b>	
	<b>£</b>
<b>Original 2022/23 budget approved by Cabinet on 17 February 2022</b>	<b>6,460,300</b>
Council Approved Carry Forwards from 2021/22	3,064,400
Approved amendments to the programme in Quarter 1	1,146,000
Approved amendments to the programme in Quarter 2	1,316,300
<b>Current approved budget for 2022/23</b>	<b>11,987,000</b>
<b>Proposed Amendments to the Programme at Quarter 3</b>	
<b>Additions to capital programme :</b>	
Arnold Market Place	200,000
Replacement Waste Management System	20,000
<b>Deferrals to 2023/24 :</b>	
Play Area refurbishment	(100,000)
Affordable Housing – Burton Road & Station Road	(100,000)
Arnot Hill House Safety Works	(70,000)
Sand Martin Bank Bird Hide	(54,900)
Arnold Flood Alleviation	(40,000)
CCTV Developments	(25,000)
Vehicle Replacement Programme	(7,000)
<b>Reductions to programmes :</b>	
Vehicle Replacement Programme	(63,400)
<b>Total Proposed Amendments</b>	<b>(240,300)</b>
<b>Revised Capital Programme 2022/23</b>	<b>11,746,700</b>
Actual Expenditure to Quarter 3 2022/23	3,754,623
Estimated Expenditure Quarter 3 - 4 2022/23	7,989,077
<b>Projected Outturn</b>	<b>11,746,700</b>

Additions totalling £220,000 to the 2022/23 capital programme:

- The Arnold Market Place - £200,000. This additional budget is required to meet additional costs incurred as a result of amended project timeframes such as professional fees. It is proposed that this be met by prudential borrowing.
- Replacement Waste Management System - £20,000. This budget is required for the purchase of hardware, tablets, phones and other items associated with the replacement waste management system and is to be funded from the Efficiency & Innovation reserve.

Deferrals totalling £396,900 to the 2023/24 capital programme:

- Play Areas (£100,000). Work is in the planning stage and cost will be incurred during 2023/24.
- Affordable Housing – Burton Road & Station Road (£100,000). The business case for this project is being revised and will be presented to cabinet in due course.
- Arnot Hill House Safety Works (£70,000). This is being re-tendered following a review and is now re-scheduled for 2023/24.
- Sand Martin Bank & Bird Hide (£54,900). This scheme has gone to tender twice but a satisfactory outcome was not achieved. The scheme will now be split into 2 separate elements and each will go out to tender. Therefore spend will not happen until 2023/24
- Arnold Flood Alleviation (£40,000). The works on Upper Daybrook are now scheduled for 2023/24. However, it is proposed leave £10,000 in the 2022/23 capital programme to cover the cost of any surveys or preliminary works.
- CCTV Developments (£25,000). Deferral of CCTV projects for Vale Road and Victoria Retail Park to 2023/24.
- Vehicle Replacement Programme (£7,000).

Reductions to the 2022/23 capital programme:

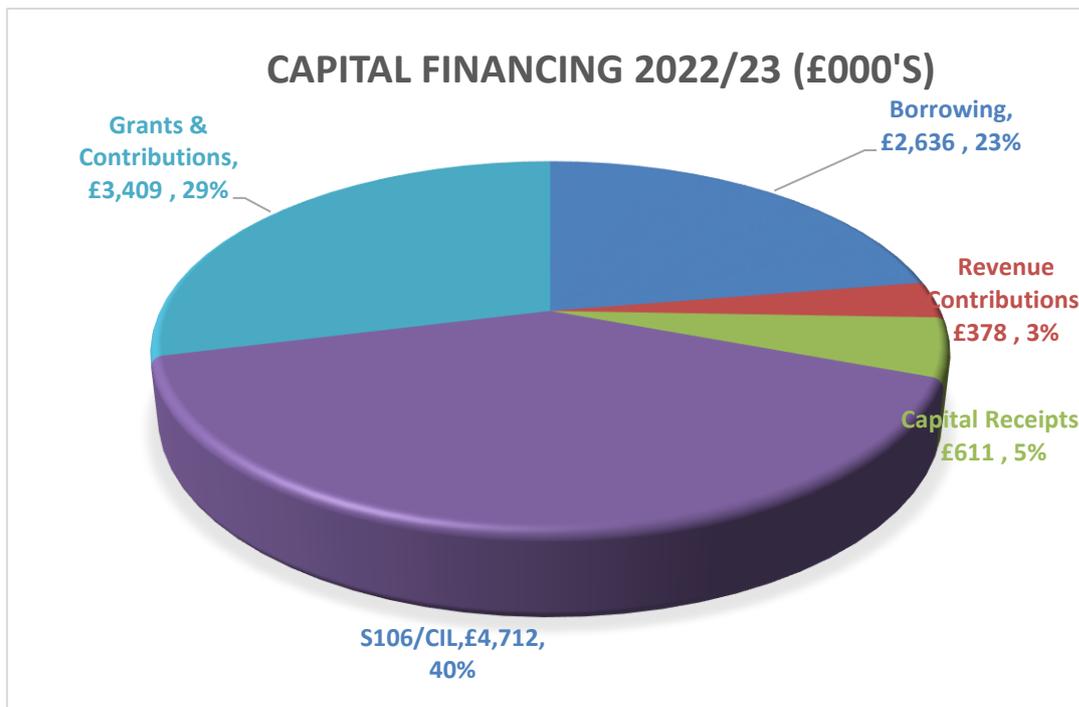
- Vehicle Replacement Programme (£63,400). Four Refuse Freighters have cost less than the allocated budget.

The capital budget for UK Shared Prosperity Fund £291,300, has been allocated out to the following schemes as per the approved UKSPF Investment Plan and budgets adjusted accordingly:

- Lambley Lane £100,000
- CCTV Developments £50,000
- Eagle Square Market Improvement £33,000
- Town Centre Improvement Fund £100,000
- Unallocated – to be determined £8,300

## 2.4 Capital Programme Financing

The projected method of financing the current capital programme requirement of £11,746,700 is detailed in Appendix 3 and summarised in the chart below.



## 2.5 Capital Receipts Monitoring

When the Council sells General Fund assets it is permitted to use this income to fund capital expenditure. The initial capital receipts estimate for 2022/23 projects that £610,900 will be generated and used to finance the capital programme in 2022/23. There is no change to the capital receipts estimate projected at quarter 3 monitoring.

## 3 Alternative Options

Option – Not to amend the original Council approved budgets during the year to reflect the latest projected outturn position.

Advantages:

- The final outturn position of the Council can be easily compared to its original intentions when the budget was set and areas of budget risk identified.

Disadvantages:

- Budgets not aligned to current budget pressures resulting in increased likelihood of budget overspend and emerging Council priorities not being addressed;
- Restrict the effectiveness of medium term planning process and preparation of the forward budget if pressures and areas of efficiency are not readily identifiable during budget preparation;
- Budget not reflective of latest performance information.

Reason for rejection – the option is not likely to result in the best outcomes in financial management or support delivery of priorities.

#### **4 Financial Implications**

- 4.1 The nature of the report is such that it has significant resource implications across the Council. The report itself demonstrates how resources are being managed.

#### **5 Legal Implications**

- 5.1 None arising directly from this report.

#### **6 Equalities Implications**

- 6.1 None arising directly from this report.

#### **7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 None arising directly from this report.

#### **8 Appendices**

Appendix 1 - General Fund Revenue Budget 2022/23 – Budgetary Control Report

Appendix 2 - Use of Reserves and Revenue Fund Budgets

Appendix 3 - Capital Programme 2022/23 – Budgetary Control Report

#### **9 Background Papers**

Detailed Quarterly Budgetary Control Exception Reports

#### **10 Reasons for Recommendations**

- 10.1 To align the budgets to the current pressures and priorities and ensure the delivery of Council objectives is supported.

**Statutory Officer Approval**

**Approved by: Chief Financial Officer**  
**Date: 19 January 2023**

**Approved by: Monitoring Officer**  
**Date: 19 January 2023**

**Grand Summary****Revenue Quarterly Budgetary Control Report****Period December 2022**

	<b>Current Approved Budget</b>	<b>Profiled Budget</b>	<b>Actual to date</b>	<b>Variance</b>	<b>%</b>	<b>Projected Outturn</b>	<b>Projected Annual Variance</b>
	£	£	£	£		£	£
Local Pride & Community Engagement Lifestyles, Health & Wellbeing Environment Sustainable Growth and Economy Corporate Resources and Performance	862,500 1,733,900 6,052,200 1,507,600 3,911,400	416,350 632,049 2,210,116 808,000 5,325,683	384,130 625,464 2,419,240 852,571 7,094,529	-32,220 -6,585 209,124 44,571 1,768,846	-8 -1 9 6 33	842,500 1,740,900 6,298,700 1,517,600 3,629,700	-20,000 7,000 246,500 10,000 -281,700
<b>Total Portfolio Budget</b>	<b>14,067,600</b>	<b>9,392,198</b>	<b>11,375,935</b>	<b>1,983,737</b>	<b>21</b>	<b>14,029,400</b>	<b>-38,200</b>
Transfer to/ -from Earmarked Reserves	<b>-1,693,500</b>	<b>-0</b>	<b>0</b>	<b>0</b>	<b>-100</b>	<b>-1,712,100</b>	<b>-18,600</b>
<b>Net Council Budget (Cabinets General Fund Maximum Bud</b>	<b>12,374,100</b>					<b>12,317,300</b>	<b>-56,800</b>
Transfer to Inflationary Pressures reserve						56,800	56,800
<b>Proposed Transfers to Earmarked Reserves</b>						<b>56,800</b>	<b>56,800</b>
<b>Net Council Budget (Cabinets General Fund Maximum Bud</b>	<b>12,374,100</b>					<b>12,374,100</b>	<b>0</b>

**LOCAL PRIDE & COMMUNITY ENGAGEMENT**  
**BUDGETARY CONTROL REPORT - DECEMBER 2022**  
**REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable £'000	Adverse £'000	
<u>Events</u> Supplies & Services	73.9	53.9	20.0		No more events planned before March
<u>All other budget heads</u> Including items previously reported	788.6	788.6			
<b>PORTFOLIO TOTAL</b>	<b>862.5</b>	<b>842.5</b>	<b>20.0</b>	<b>-</b>	<b>Net Portfolio Total £20k Favourable</b>

**LIFESTYLES, HEALTH & WELLBEING PORTFOLIO****BUDGETARY CONTROL REPORT - DECEMBER 2022****REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable £'000	Adverse £'000	
<b><u>Calverton Leisure Centre</u></b>	£'000	£'000			
Employee Expenses	366.7	350.2	16.5		Vacant posts have been covered by casual staff and there have been fewer party bookings than anticipated. There has been a reduction in income from party bookings and squash that has been more than offset in income from an increase in DNA members and swimming lessons.
Revenue Income	(385.2)	(386.1)	0.9		
<b><u>Carlton Forum Leisure Centre</u></b>					
Revenue Income	(1,347.5)	(1,356.0)	8.5		"Pay as you go" income has fallen but this has been more than offset by additional swimming income arising from the early introduction of additional classes
<b><u>Redhill Leisure Centre</u></b>					
Employee Expenses	394.0	376.0	18.0		Vacant posts have been covered by casual staff whilst there has been a reduced number of classes due to falling attendances that have been mainly covered by Leisure Attendants. There has been reduced attendance in both classes and the Fitness Suite.
Revenue Income	(415.2)	(409.6)		5.6	

**LIFESTYLES, HEALTH & WELLBEING PORTFOLIO****BUDGETARY CONTROL REPORT - DECEMBER 2022****REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Arnold Leisure Centre</u></b>					
Revenue Income	(660.2)	(674.1)	13.9		The number of general swimming users is down but this has been more than offset by increased income from swimming lessons and memberships.
<b><u>Richard Herrod Centre</u></b>					
Employee Expenses	287.0	283.7	3.3		There has been a saving on casual bar staff due to fewer bookings.
Premises Related Expenses	93.2	138.2		45.0	The proposed efficiency is not being met in 2022/23 and will be deferred to 2023/24.
Revenue Income	(263.2)	(245.7)		17.5	There has been a reduced number of bookings in the Millennium Suite along with reduced bar income.
<b><u>Health &amp; Wellbeing</u></b>					
Supplies & Services	86.1	93.1		7.0	Funding has been secured for Falls Prevention Classes Pilot from NHS Nottingham and Nottinghamshire Integrated Care Partnership
Revenue Income	(160.3)	(167.3)	7.0		
All other budget heads Including items previously reported	3,738.5	3,738.5			
<b>PORTFOLIO TOTAL</b>	<b>1,733.9</b>	<b>1,740.9</b>	<b>68.1</b>	<b>75.1</b>	<b>Net Portfolio Total £7K Adverse</b>

**ENVIRONMENT PORTFOLIO**

Appendix

**BUDGETARY CONTROL REPORT - DECEMBER 2022**

**REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Street Care</u></b>					
Premises	42.4	58.9		9.5	There have been several repairs to pavilions including new felt roof and plumbing works (met from Asset Management Reserve)
				7.0	Electricity costs across pavilions and toilets have been greater than anticipated.
<b><u>Parks</u></b>					
Premises	139.8	148.8		9.0	There have been increased water charges at Allotments due to the hot summer and a number of leakages that have now been repaired.
Supplies & Services	119.3	134.3		15.0	Additional costs have been incurred due to the replacement of obsolete chainsaws and forestry equipment (met from Asset Management Reserve)

**ENVIRONMENT PORTFOLIO**

Appendix

**BUDGETARY CONTROL REPORT - DECEMBER 2022**

**REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Bestwood Country Park</u></b>					
Premises	28.7	39.7		7.0	The rising unit cost of electricity.
<b><u>Pet Cremation Service</u></b>					
Premises				4.0	Expenditure of fuel has been greater than anticipated due to increased useage and the inflationary impact.
<b><u>Cemeteries</u></b>					
Income	(486.1)	(441.1)		45.0	There has been a lower than anticipated number of burials.
<b><u>Taxi Licensing</u></b>					
Supplies & Services	0.0	150.0	0.0	150.0	Refunding of Taxi License fees
<b><u>All other budget heads</u></b> (including items previously reported)	6,208.1	6,208.1			
<b>PORTFOLIO TOTAL</b>	<b>6,052.2</b>	<b>6,298.7</b>	<b>-</b>	<b>246.5</b>	<b>Net Portfolio Total</b> <b>£246.5K Adverse</b>

**SUSTAINABLE GROWTH & ECONOMY PORTFOLIO****BUDGETARY CONTROL REPORT - DECEMBER 2022****REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable £'000	Adverse £'000	
<b><u>Development Management</u></b>	£'000	£'000			
Employees	490.0	496.0		6.0	Extension of Market Supplement for Principal Planning Officers (met from the Planning Policy - Custom Build Reserve)
<b><u>Building Regs - Fee earning</u></b>					
Income	(255.9)	(245.9)		10.0	Income lower than expected
<b><u>Land Charges</u></b>					
Income	(73.1)	(79.1)	6.0		Income received is in excess of the budget.
<b><u>All other budget heads</u></b> (including items previously reported)	1,346.6	1,346.6			
<b>PORTFOLIO TOTAL</b>	<b>1,507.6</b>	<b>1,517.6</b>	<b>6.0</b>	<b>16.0</b>	<b>Net Portfolio Total £10K Adverse</b>

**CORPORATE RESOURCES & PERFORMANCE PORTFOLIO**

**BUDGETARY CONTROL REPORT - DECEMBER 2022**

**REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Housing Needs</u></b>					
Supplies & Services	60.2	108.5		48.3	Increase in bed and breakfast expenditure funded by additional Homelessness Prevention Grant Additional Homelessness Prevention Grant received and being used to fund increase in bed and breakfast expenditure. Repayment of unspent 2021/22 Homelessness income for Private Rents (met from Welfare New Burdens Reserve).
Income	(258.3)	(282.4)	48.3	24.2	
<b><u>Revenues - Local Taxation</u></b>					
Supplies & Services	1,568.7	1,598.7		30.0	Additional Post Office costs relating to distribution of Energy Rebate Grants (met from Revs & Bens New Burdens Reserve) Additional contribution from Nottinghamshire Business Rates Pool in respect of 2021/22 to be used for economic regeneration projects (transferred to NNDR Pool Reserve).
Income		(86.1)	86.1		

**CORPORATE RESOURCES & PERFORMANCE PORTFOLIO**

**BUDGETARY CONTROL REPORT - DECEMBER 2022**

**REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Housing Bens - Rent Allowances</u></b>					
Rent Allowances	177.3	99.7	77.6		Bad debt provision has been reduced due to cases moving to Universal Credit whilst there has been a reduced number of weekly outstanding items.
<b><u>Public Offices</u></b>					
Income	(359.7)	(420.0)	60.3		Additional income will be received from the Department of Work and Pensions (DWP) for their occupancy of the Civic Centre following confirmation of agreed formula (based on RPI) for rent increases.
<b><u>Car Parks</u></b>					
Premises	133.8	139.8		6.0	Increase in water charges.
<b><u>Public Land &amp; Buildings</u></b>					
Premises	52.7	25.7	27.0		Reduced business rates liability for The AMP due to offices being tenanted quicker than anticipated.
Income	(188.2)	(173.5)		14.7	Lower income received than expected following delays in opening The AMP and the transfer of stalls to Eagle Square.
<b><u>Community Centres</u></b>					
Employee Expenses	147.6	134.0	13.6		Funding for vacant posts is not being being utilised at Pond Hills Lane Community Centre due to a reduced number of bookings.

**CORPORATE RESOURCES & PERFORMANCE PORTFOLIO****BUDGETARY CONTROL REPORT - DECEMBER 2022****REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Elections</u></b>					
Supplies & Services	6.2	25.7		19.5	Grant received to meet the cost of changes required by the Elections Act 2022 including the showing of photo ID.
Revenue Income	0.0	(19.5)	19.5		
<b><u>HR, Performance and Service Planning</u></b>					
Supplies & Services	40.0	26.0	14.0		Our Gedling is not running a full schedule of events. Fewer customer satisfaction surveys have been carried out.
<b><u>Corporate Management</u></b>					
Employee Expenses	110.6	83.6	27.0		Vacancy saving from Director post from January to March 2023
<b><u>Corporate Income &amp; Expenditure</u></b>					
Interest Payable	395.0	361.0	34.0		Lower borrowing costs due to deferrals of 2022/23 capital programme into 2023/24. Additional investment income receivable due to increase in interest rates
Interest Receivable	(250.0)	(287.0)	37.0		
<b><u>Movement in Reserves - MIRS</u></b>					
Direct Revenue Financing	427.9	447.9		20.0	The capital cost of the new Waste Management Systems (met from Efficiency and Innovation Reserve).
<b><u>All other budget heads</u></b> (including items previously reported)	1,847.6	1,847.6			
<b>PORTFOLIO TOTAL</b>	<b>3,911.4</b>	<b>3,629.7</b>	<b>444.4</b>	<b>162.7</b>	<b>Net Portfolio Total £281.7k Favourable</b>

**EARMARKED RESERVES**

**BUDGETARY CONTROL REPORT - DECEMBER 2022**

**REVENUE ITEMS TO BE REPORTED**

Budget Head	Current Approved Budget	Latest Projected Outturn	Net Budget Variance		Reason for Variance (New Items Only)
			Favourable	Adverse	
	£'000	£'000	£'000	£'000	
<b><u>Transfer to/from Reserves</u></b>					
<b><u>Housing Needs</u></b>					
Contribution from reserves		(24.2)	24.2		Repayment of unspent 2021/22 Homelessness income for Private Rents (met from Welfare New Burdens Reserve)
<b><u>Development Management</u></b>					
Contribution from reserves		(6.0)	6.0		Funding of market supplement for Principal Planning Officers (met from Planning Policy Custom Build Reserve).
<b><u>Revenues - Local Taxation</u></b>					
Contribution to reserves		86.1		86.1	Additional Nottinghamshire Business Rates Pool income for 2021/22 (transferred to NNDR Pool Reserve)
<b><u>Revenues - Local Taxation</u></b>					
Contribution from reserves		(30.0)	30.0		Additional Post Office costs relating to distribution of Energy Rebate Grants (transfer from Revs & Bens New Burdens Reserve)
<b><u>Parks &amp; Street Care</u></b>					
Contribution from reserves		(24.5)	24.5		Pavilions repairs and equipment replacement in Parks and Street Care (met from Asset Management Reserve)
<b><u>Movement in Reserves - (MIRS)</u></b>					
Contribution from reserves		(20.0)	20.0		The capital costs of the new Waste Management System (met from Efficiency and Innovation Reserve).
<b><u>All other budget heads</u></b>					
Including items previously reported	(1,693.5)	(1,693.5)			
<b>RESERVES TOTAL</b>	<b>(1,693.5)</b>	<b>(1,712.1)</b>	<b>104.7</b>	<b>86.1</b>	<b>Net Reserves Total £18.6k Net Contribution from Reserves</b>

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**Virements Approved for the use of Earmarked Reserves  
Quarter Ended December 2022**

Usage of Earmarked Reserves		
		£
	<b>Lifestyles, Health &amp; Wellbeing</b>	
	<b>Environment</b>	
	Local Authority Partnership Energy Officer	£7,000
	Contribution from Transformation Fund Reserve	-£7,000
	<b>Corporate Resources and Performance</b>	
	Insurance Broker Fees	£6,500
	Contribution from Insurance Reserve	-£6,500
	CIPFA Licencing Work	£12,000
	Contribution from Transformation Fund Reserve	-£12,000
	Council Tax Single Persons Discount Review	£1,100
	Contribution from Earmarked Reserves - New Burdens Revs & Benefits	-£1,100
	<b>Total Expenditure</b>	<b>£26,600</b>
	<b>Total Reserves</b>	<b>-£26,600</b>

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Project	Original Capital Programme	Carry F/wds	Approvals to Q2	Qtr 3 Proposals	Revised Capital Programme Q3
Netherfield Forum	-	-	55.0	-	55.0
<b>Community Development</b>	<b>-</b>	<b>-</b>	<b>55.0</b>	<b>-</b>	<b>55.0</b>
Burton Road - Affordable Housing	1,518.8	50.0	(1,518.8)	(50.0)	-
Station Road - Affordable Housing	1,040.0	50.0	(1,040.0)	(50.0)	-
Temporary Accommodation	-	432.9	0.0	-	432.9
ALC Replacement Theatre System	-	35.0	(20.0)	0.0	15.0
Leisure Management System 2021	75.0	-	-	-	75.0
<b>Housing, Health &amp; Well-being</b>	<b>2,633.8</b>	<b>567.9</b>	<b>- 2,578.8</b>	<b>(100.0)</b>	<b>522.9</b>
CCTV Developments	65.0	-	-	(25.0)	40.0
CCTV Developments (UKSPF)	-	-	-	50.0	50.0
Disabled Facilities Grants	1,000.0	320.5	-	-	1,320.5
Green Homes Grant Scheme	-	726.6	891.0	-	1,617.6
<b>Public Protection</b>	<b>1,065.0</b>	<b>1,047.1</b>	<b>891.0</b>	<b>25.0</b>	<b>3,028.1</b>
Car Park Resurfacing and Fencing	65.0	-	-	-	65.0
Vehicle Replacement Programme	1,422.5	48.0	(385.0)	(70.4)	1,015.1
Flood Alleviation Works	60.0	-	-	-	60.0
King George V - Provision of Public Toilets	-	113.3	-	-	113.3
Killisick Recreation Area	-	14.2	(14.2)	-	-
Arnold Flood Alleviation	-	50.0	-	(40.0)	10.0
Sand Martin Bank Bird Hide	-	54.9	-	(54.9)	-
King George V Pavilion Refurbishment	-	50.0	-	-	50.0
Green Lung Project	-	49.2	-	-	49.2
Colwick Rectory Play Area Refurbishment	100.0	-	-	-	100.0
Holocaust Memorial Cherry Tree Reflection Circle	35.0	-	10.0	0.0	45.0
St Mary's Play Area Refurbishment	100.0	-	-	(100.0)	-
Willow Park - Footpath extension	-	-	25.0	-	25.0
AMF - Lambley Lane Changing Room & Pitch Renova	-	156.3	-	100.0	256.3
Carlton Cemetery	-	13.3	-	-	13.3
Lambley Lane Play Area Refurbishment	-	-	0.0	0.0	-
Bestwood Country Park Car Park extension	-	-	36.8	-	36.8
Ouse Dyke Repair Works	-	-	40.0	-	40.0
Waste Management System	-	-	-	20.0	20.0
<b>Environment</b>	<b>1,782.5</b>	<b>549.2</b>	<b>(287.4)</b>	<b>(145.3)</b>	<b>1,899.0</b>
Hazelford Way Industrial Units	350.0	-	(350.0)	0.0	-
Arnold Market	-	561.9	81.1	200.0	843.0
Carlton Square Development	-	31.8	-	-	31.8
Carlton Square Service Yard	-	25.0	-	-	25.0
Gedling Access Road (GAR)	-	-	4,480.1	-	4,480.1
UK Shared Prosperity Fund	-	-	291.3	(283.0)	8.3
Eagle Square Market Improvement	-	-	-	33.0	33.0
Town Centre Improvement Fund	-	-	-	100.0	100.0
<b>Growth &amp; Regeneration</b>	<b>350.0</b>	<b>618.7</b>	<b>4,502.5</b>	<b>50.0</b>	<b>5,521.2</b>
Carbon Reduction (CR) Initiatives	-	88.1	-	-	88.1
CR - GCP Charge Points	-	62.9	-	-	62.9
CR - Civic Centre Charge Points	-	14.1	-	-	14.1
CR - Arnold Market Solar	-	16.0	-	-	16.0
Amot Hill House Fire Safety Works	70.0	-	-	(70.00)	-
Civic Centre Fire Alarm	100.0	-	-	-	100.0
Civic Centre Lift Refurbishment	75.0	-	-	-	75.0
Customer Service Improvements	-	65.4	-	-	65.4
IT Licences - Microsoft Office	110.0	-	-	-	110.0
Property Flood Resilience Scheme	-	20.0	(10.0)	0.0	10.0
Asset Management Fund	14.0	-	(10.0)	0.0	4.0
AMF - Hazelford Way	60.0	-	-	-	60.0
AMF - Car Park Resurfacing	-	15.0	-	-	15.0
AMF - Civic Centre Window Replacement	200.0	-	(200.0)	0.0	-
Depot Works	-	-	100.0	0.0	100.0
<b>Resources &amp; Reputation</b>	<b>629.0</b>	<b>281.5</b>	<b>(120.0)</b>	<b>(70.0)</b>	<b>720.5</b>
<b>Total Programme</b>	<b>6,460.3</b>	<b>3,064.4</b>	<b>2,462.3</b>	<b>(240.3)</b>	<b>11,746.7</b>

Capital Expenditure	Original Budget	Carry Forwards	Approvals to Q2	Q3 Proposals	Revised Capital Programme Q3
	£000	£000	£000	£000	£000
Community Development	0.0	0.0	55.00	0.00	55.0
Housing, Health & Well-being	2,633.8	567.9	(2,578.80)	(100.00)	522.9
Public Protection	1,065.0	1,047.1	891.00	25.00	3,028.1
Environment	1,782.5	549.2	(287.40)	(145.30)	1,899.0
Growth & Regeneration	350.0	618.7	4,502.50	50.00	5,521.2
Resources & Reputation	629.0	281.5	(120.00)	(70.00)	720.5
<b>Total</b>	<b>6,460.3</b>	<b>3,064.4</b>	<b>2,462.3</b>	<b>(240.30)</b>	<b>11,746.7</b>

Capital Financing	Original Budget	Carry Forwards	Approvals to Q2	Q3 Proposals	Total
	£000	£000	£000	£000	£000
Borrowing	3,544.4	1,685.1	(2,647.00)	53.60	2,636.1
Revenue Contributions	151.0	71.8	205.10	(50.00)	377.9
Capital Receipts	610.9	0.0	0.00	0.00	610.9
S06/CIL	789.0	129.2	3,907.90	(113.70)	4,712.4
Grants & Contributions	1,365.0	1,178.3	996.30	(130.20)	3,409.4
<b>Total</b>	<b>6,460.3</b>	<b>3,064.4</b>	<b>2,462.3</b>	<b>(240.30)</b>	<b>11,746.7</b>

## Report to Cabinet

**Subject:** Gedling Plan Quarter 3 of 2022/23 Report

**Date:** 24 January 2023

**Author:** Senior Leadership Team

### Wards Affected

Borough-wide

### Purpose

To inform Cabinet in summary of the position against Improvement Actions and Performance Indicators in the 2020-23 Gedling Plan at the end of quarter 3 of 2022/23.

### Key Decision

This is not a key decision.

### Recommendation

#### THAT:

The progress against the Improvement Actions and Performance Indicators in the 2020-23 Gedling Plan for the end of quarter 3 of 2022/23 be noted.

## 1 Background

- 1.1 The Council has made a commitment to closely align budget and performance management. This is in line with accepted good practice.
- 1.2 To deliver this commitment, systems to monitor performance against revenue and capital budgets, improvement activity and performance indicators have all been brought together and are now embedded in the way the Council works. Whilst the budget and performance information are presented in two separate reports, they are still being reported to Cabinet together and appear on the same agenda.
- 1.3 In addition, performance reports now focus more directly on the Council's priorities and offer an "early warning" system of instances where targets may not be secured.
- 1.4 As usual, comprehensive details about current performance against the Gedling Plan can be accessed through the following link on the Council's website:-

<http://www.gedling.gov.uk/council/aboutus/prioritiesplansandperformance/howwere/doing/>

Members are recommended to view this document which provides valuable background detail to this summary paper. It provides a more in-depth review of indicators, actions and outcomes for 2022/23 quarter 3.

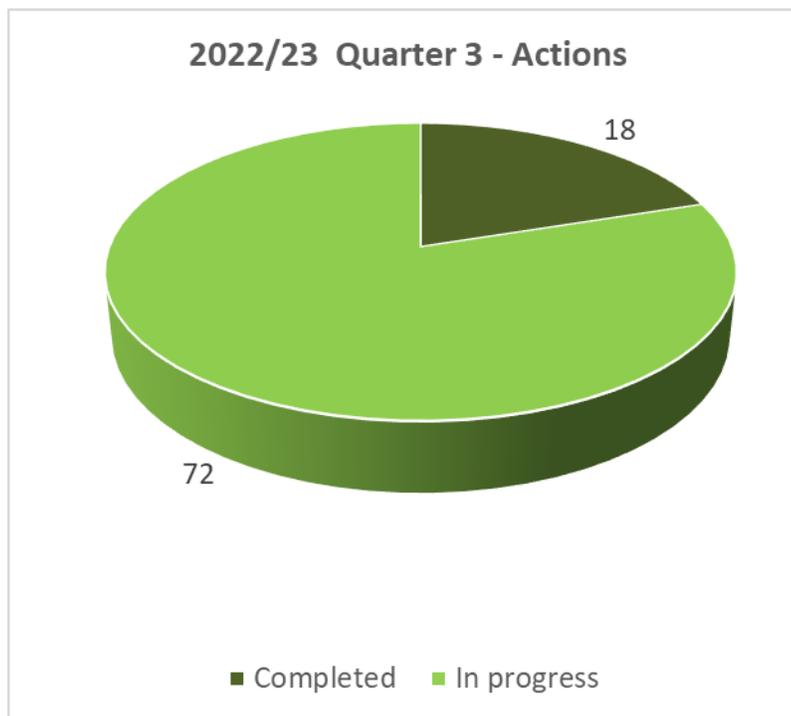
- 1.5 The assessment criteria used for actions and indicators is based on red, amber and green traffic light symbols. To be assessed as green performance indicators must be in line with their expected performance at this stage of the year, whilst actions must be on target against the “completed” or “in progress” milestones determined within the performance management system, Pentana.

## 2 Proposal

- 2.1 It is proposed that Cabinet note the performance information for the Gedling Plan 2020-23 at the end of quarter 3 of 2022/23 as set out below.

### 2.2 Actions

At this stage, of the 90 actions currently active in the Gedling Plan 2020-23, 18 are complete and the remaining are either in progress or assigned to an Officer.



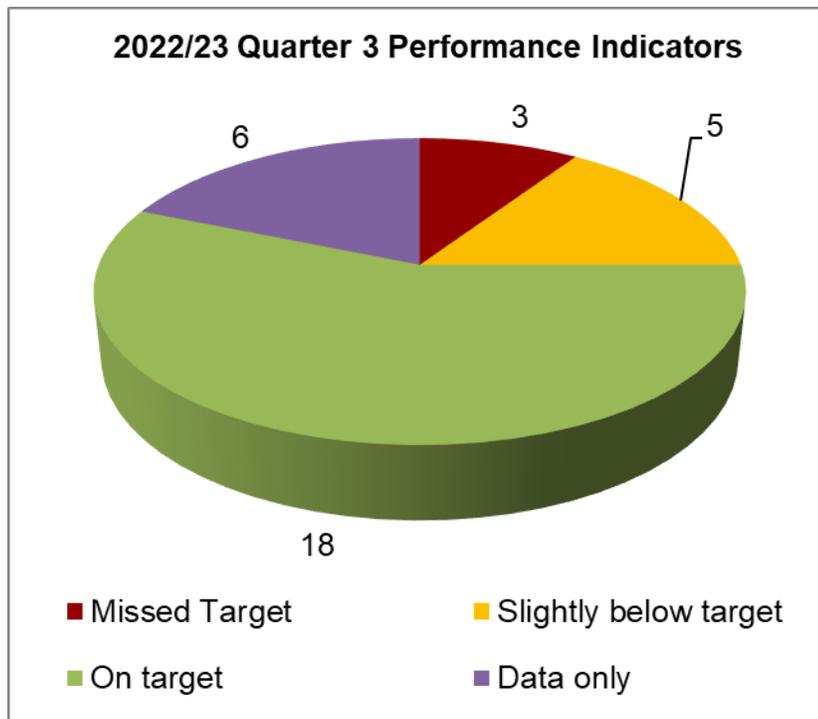
The eighteen completed actions are as follows:

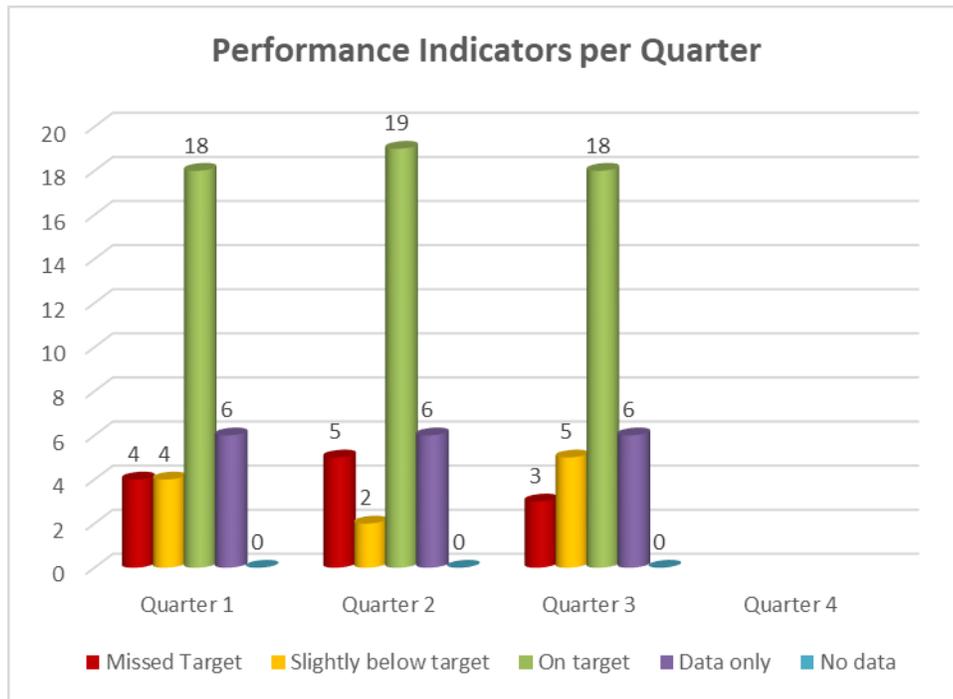
- Continue to support the Interfaith forum, Gedling Senior’s Council and Youth Council and develop new community leadership forums
- Deliver the annual Pride of Gedling Awards
- Prepare and plan for an event to mark the 50th anniversary of the creation of GBC and the 200 years anniversary of Lord Bryon
- Coordinate the supported internship programme
- Continue to implement the Agile Working Strategy
- Engage in local government restructuring debate to ensure local services are maintained and the voice of our residents is heard
- Create and implement a Communication Strategy and plan

- Carry out Gedling plan survey
- Develop and implement strong, fair employment policies
- Provide targeted business support to small and medium businesses across the borough
- Work with the County Council to ensure completion of the Gedling Access Road to support growth
- Plant 500 UK native trees across the borough to mark the lead up to the 50th Anniversary of the creation of the Borough
- Develop and implement a Carbon Reduction Strategy aligned with key partners across the borough
- Review the pilot Selective Licensing Scheme and investigate new schemes in the borough
- Explore delivery models in partnership with other local authorities and public bodies
- Review the Community Infrastructure Levy policy
- Support delivery of a local industrial strategy including playing an active role in D2N2/LEP
- Identify opportunities to redevelop vacant or underused land for employment uses

### 2.3 Indicators

Overall indicator performance at the end of quarter 3 shows that out of a total of 32 indicators, 18 were on or above target, 5 were slightly below target and 3 indicators missed their target.





2.4 Examples of particularly positive performance for quarter 3 include:

Performance Indicator	Figure reported	Target	Period covered
Average time to process new Housing Benefit claims (in calendar days).	14 days	15 days	October to December
Average length of time spent in temporary accommodation (in weeks)	19.4 weeks	22 weeks	October to December
Percentage of calls to the contact centre answered (or call back made).	97.2%	94%	12 month rolling average
Percentage of Business Rates Collected	84.45%	82.26%	April to December
Number of long term (over 6 months) empty homes in the Borough returned to use as a result of Gedling Borough Council intervention.	33	10	October to December
Number of rented households with health and safety hazards that fall below the minimum legal standard that have been remediated following the council's intervention	6	5	October to December
Percentage of Major planning applications processed within 13 weeks.	100%	92%	October to December

Percentage of other planning applications processed within 8 weeks	92.1%	80%	October to December
Number of visits to leisure centres	246,374	200,000	October to December
Net additional homes provided	234	124	October to December

2.5 The following performance indicators missed their target at the end of quarter 3.

**LI075 Average time to process Housing Benefit change in circumstances (in calendar days)** – Performance: 5.3 days against a target of 5 days for the period October to December.

Both October and November processing dates were on target. Due to Xmas and staff leave, the processing times for December slipped to 6 days meaning the average over the quarter was slightly over target.

**LI006 Working Days Lost Due to Sickness Absence (rolling 12 month total)** – Performance – 9.92 days against a target of 9 days.

Due to timing of reports and data availability, the data used for quarter 3 relates to the position as at November 2022. Time lost stands at 9.92 days which is now around 10% worse than target of 9 days. This represents an improvement on last month's and last quarter's outturn. The number of long-term absence cases remains relatively low and this has helped to contribute to the improved attendance figures.

**LI085 Current number of DNA members** – 3,676 members against target of 4,105 as at end of December.

The leisure industry is still struggling to recover from the impact of Covid with memberships nationally down by 4.8% on pre-Covid figures. The performance in Gedling is slightly worse than the national picture and is likely compounded by the impact of the cost of living challenges. The December DNA promotion brought in 313 new members, of which 77 cancelled their membership by 5th January.

## 2.6 Compliments and Complaints

In quarter 3, the council received 2% more compliments and 18% fewer complaints than in quarter 2 2022/23. 45% of all complaints that the council received in quarter 3 were upheld. Out of all complaints that the council received in quarter 3, 2 complaints were escalated to stage 2, of which only one was upheld.

## 2.7 Achievements

A separate report has been produced highlighting additional key achievements delivered during quarter 3, focusing on areas where the Council has made a real difference to people's lives. This is shown in Appendix 1 and is available on the Council's website. The following achievements are identified for particular attention:

**Pride of Gedling Awards** – the event was held in November and it was a great success. We received over 190 nominations across the six categories, all of which were of a very high standard and highlighted what a great place Gedling is to live in. The event was also sponsored by various local businesses and developers which enabled it to be produced at no cost to the council. The awards are one of the council's most high profile events and its success every year shows the importance of creating an engaging campaign that residents can take part in.

**Warm Spaces** – Warm spaces are initiatives set up to create places within the local community where people can come together, socialise, stay warm and in some cases have hot refreshments during the winter months. Alongside council venues, many of our valued Community Partners are also offering warm spaces as well as other services and support in local venues across the borough. There are over 30 designated venues available across the Borough, including the Richard Herrod Centre, Bonington Theatre (Lounge Area), Netherfield Forum and the Salvation Army in Arnold. A full list is available [HERE](#).

**White Ribbon campaign** – we worked with Carlton Town Football Club and local charity We R Here to end violence against women and girls by men as part of White Ribbon Day on 25<sup>th</sup> November. The theme was #TheGoal and we launched a campaign at Carlton Town Football club and to get footballers there to sign a pledge and promise not to be silent about the devastating effect of violence against women.

Councillors also wore white ribbons at their Full Council meeting in November to show their support for this important cause. They are working with local charity, We R Here, who support women fleeing from domestic abuse, to help raise awareness of their project and highlight how they support survivors of abuse.

**Improvements to CCTV across Gedling** - Gedling Borough Council has invested more than £89,000 to upgrade and improve CCTV cameras and equipment across the borough as part of the council's commitment to preventing and detecting crime and anti-social behaviour. Equipment in Arnold Town Centre, Carlton, Netherfield and Calverton has been upgraded to improve the image quality from the cameras, which are transmitted to, recorded, and monitored from the council's central CCTV Control Room. The cameras are able to provide high quality images to help improve facial recognition and identify number plates, which will help assist the Police with the prevention and detection of a wide range of criminal activities that could be taking place in or around the borough. It also supports the council's Community Safety team and Neighbourhood Wardens who regularly use the cameras to tackle anti-social behaviour and investigate cases of fly tipping, graffiti and vandalism.

**UK Shared Prosperity Fund Allocation** – Gedling Borough Council secured £2.9 million in funding to invest in local communities over the next three years. As part of the submission, we consulted with local community groups, businesses and partners to establish what they think the money should be used for. The fund identifies three local priorities; communities and place, support for local businesses and people and skills. Projects in the first year include plans to refurbish Lambley Lane sports pavilion, expand CCTV in crime hotspots, provide community grants to local charities and groups and the council will also use the funding to install new Changing Places public toilets at King George V Playing Fields in Arnold Town Centre.

**Completion of the new Arnold Market Place (AMP)** - The AMP, the £4 million flagship business development in Arnold Town Centre, has officially been completed and handed over to Gedling Borough Council. The building is now the new home to several new business start-ups as well as the Post Office, who were the first business to open its doors to the public. There is a wine tasting experience outlet, a cat and dog accessory and treats store, a cake shop and a delicatessen to go alongside the Post Office, which has relocated from nearby Worrall Avenue.

**Bath Out project** – This project was successfully concluded in partnership with Longhurst Housing Association and their appointed contractor. The scheme involved proactively adapting the bathrooms of 15 older persons units of accommodation in Netherfield. The scheme utilised a proportion of the council's Better Care Fund Allocation received from Government which was used to fund works to remove the bath in the property and replace with a level access shower wet room. The aim of the scheme is to reduce the likelihood of accidents in the home and enable older people to remain living independently in their own homes.

### **3 Alternative Options**

- 3.1 Not to present an update on quarterly performance, in which case Executive members will not be aware of performance against the Gedling Plan 2020-23.

### **4 Financial Implications**

- 4.1 There are no financial implications arising out of this report.

### **5 Legal Implications**

- 5.1 There are no legal implications arising out of this report.

### **6 Equalities Implications**

- 6.1 There are no equalities implications arising out of this report.

### **7 Carbon Reduction/Sustainability Implications**

- 7.1 There are no carbon reduction/sustainability implications arising out of this report.

## **Appendices**

### **8**

8.1 Appendix 1 – Examples of Outcomes/Achievements during Quarter 3 of 2022/23.

### **9 Background Papers**

9.1 None identified.

### **10 Reasons for Recommendations**

10.1 To ensure Members are informed of the performance against the Gedling Plan 2020-23.

**GEDLING  
PLAN  
2020-2023**

**Examples of Achievements and  
Activities**

**During**

**Quarter 3 - 2022/23**

# Cohesive, Diverse and Safe COMMUNITIES

## Promote and encourage pride, good citizenship and participation

### Christmas events in Arnold –

- **Festive Saturdays at the AMP** – organised by The Rural Retailer, Arnold Market Place held festive markets on Saturdays in December. Events included live music and independent market stall traders selling items such as gifts, cakes, sweets, handmade cards and homewares. All traders have said how successful their stalls were.
- **Arnold Christmas Lights Switch On** – included a stage where five local schools and three choirs performed, street theatre performers from Can Samba, Arnold and Mapperley Rotary Club with Santa and Arnold Methodist Church Christmas Craft Fair. The event attracted over 1000 people and the Council received some excellent feedback.

**Remembrance Parades** – the Council supported remembrance parades in Gedling, Mapperley and Arnold. A remembrance service was held in Arnot Hill Park attracting around 1000 people.

**Pride of Gedling Awards** – the event was held in November and it was a great success. We received over 190 nominations across the six categories, all of which were of a very high standard and highlighted what a great place Gedling is to live in. The event was also sponsored by various local businesses and developers which enabled it to be produced at no cost to the council. The awards are one of the council's most high profile events and its success every year shows the importance of creating an engaging campaign that residents can take part in.

**Christmas Concert at St Paul's Church** – The Mayor's Charity held its free annual Christmas Concert on 10<sup>th</sup> December at St Paul's Church in Daybrook. Carols and Christmas music was provided by Carlton Male Voice Choir.

**"Food for Life" community celebration** – Gedling Borough Council, Gedling Seniors Council and The Syrian Society of Nottinghamshire held a "Food for Life" community celebration this week. Around 100 guests attended, including refugees who have resettled in the borough, host families and community groups. Attendees joined together to thank the Gedling community for embracing and supporting so many refugees from Syria, and more recently Ukraine. Local Syrian families and the Syrian Society of Nottinghamshire, Yasmin House, prepared a traditional meal for attendees and craft activities for all ages were provided by Gedling Play Forum.

## Reduce poverty and inequality and provide support to the most vulnerable

**Warm Spaces** – Warm spaces are initiatives set up to create places within the local community where people can come together, socialise, stay warm and in some cases have hot refreshments during the winter months. Alongside council venues, many of our valued Community Partners are also offering warm spaces as well as other services and support in local venues across the borough. There are over 30

**designated venues available** across the Borough, including the Richard Herrod Centre, Bonington Theatre (Lounge Area), Netherfield Forum and the Salvation Army in Arnold. A full list is available [HERE](#) .

**Social Eating Event** - A small autumn craft/social eating event took place for families in Newstead. The event was held at the Newstead Centre and was attended by around 40 people. Older Children also took part in sports coaching on the Parish Council MUGA supported by local Notts CC Youth Workers.

**Homelessness and Rough Sleeping Strategy** - The South Notts Homelessness and Rough Sleeping Strategy 2022-2027 has now been approved. This outlines the key priorities and aims to reduce homelessness and rough sleeping across the South of the County whilst maximising all funding streams available to us.

**Temporary Accommodation:** The Council's Housing and Welfare Service has secured a further property to support Homeless families and reduce the reliance upon bed and breakfast accommodation. The Authority continues to work with Nottinghamshire County Council to identify other viable options and increase the overall number of temporary accommodation properties available to address homelessness in the Borough.

**Homes for Ukraine Scheme update** - For the Homes for Ukraine Scheme to support Ukrainian guests settling in the UK, 99 matched sponsors have come forward within the Borough from the commencement of the Scheme. Environmental Health officers had undertaken 97 first property checks, 76 second welfare checks and 19 third welfare checks. These checks are to ensure properties are not overcrowded, are safe to occupy and to safeguard the guests.

**The Bath Out project** was successfully concluded in partnership with Longhurst Housing Association and their appointed contractor. The scheme involved proactively adapting the bathrooms of 15 older persons units of accommodation in Netherfield. The scheme utilised a proportion of the council's Better Care Fund Allocation received from Government which was used to fund works to remove the bath in the property and replace with a level access shower wet room. The aim of the scheme is to reduce the likelihood of accidents in the home and enable older people to remain living independently in their own homes.

**Energy Bills Rebate scheme** - All eligible households have received their payments before the government's deadline as follows:

- |                        |            |                   |
|------------------------|------------|-------------------|
| • Core scheme          | £6,845,700 | 45,638 households |
| • Discretionary scheme | £172,568   | 6,767 households  |

### **Reduce anti-social behaviour, crime and the fear of crime**

**Selective Licencing Scheme** – following consultation with residents, landlords and stakeholders, councillors agreed to extend the Selective Licensing Scheme to parts of Colwick, Carlton Hill, Daybrook and Newstead Village from 1<sup>st</sup> November 2022. The scheme makes privately rented homes safer for people to live in, and makes it mandatory for landlords to have licences for each of their private rented properties.

The consultation for the extension of the scheme received more than 200 responses and over 450 written comments which have been analysed and the feedback used to shape the extension to the scheme, known as Selective Licensing Phase two.

The licence requires that landlords meet a minimum standard of accommodation for residents and the scheme is being launched in areas where there is deprivation, high levels of antisocial behaviour, crime and poor housing conditions. The licensing will give the council's Environmental Health team powers to do more if landlords do not take the appropriate steps to deal with issues relating to property standards.

**White Ribbon campaign** – we worked with Carlton Town Football Club and local charity We R Here to end violence against women and girls by men as part of White Ribbon Day on 25<sup>th</sup> November. The theme was #TheGoal and we launched a campaign at Carlton Town Football club and to get footballers there to sign a pledge and promise not to be silent about the devastating effect of violence against women.

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## High Performing COUNCIL

### Improve the customer experience of engaging with the Council

**Customer Survey Updates** – Our Customer Services have updated our customer satisfaction surveys and incorporated equality and diversity questions in order to gain a better understanding of our community requirements. This information will hopefully assist us in planning the future direction of customer services.

**Outreach Services** – Customer Services outreach work continued with regular sessions at Carlton Community Hub and Calverton Core Centre. In addition to this the team have attended Netherfield St Georges Centre in October, Killisick Community Centre in November and two cost of living events at Newstead and Carlton. These sessions are designed to help residents with services such as housing, benefits, council tax, grants and any other local authority service as well as working closely with partners to help access their services.

## **Provide efficient and effective services**

**UK Shared Prosperity Fund Allocation** – Gedling Borough Council secured £2.9 million in funding to invest in local communities over the next three years. As part of the submission, we consulted with local community groups, businesses and partners to establish what they think the money should be used for. The fund identifies three local priorities; communities and place, support for local businesses and people and skills. Projects in the first year include plans to refurbish Lambley Lane sports pavilion, expand CCTV in crime hotspots, provide community grants to local charities and groups and the council will also use the funding to install new Changing Places public toilets at King George V Playing Fields in Arnold Town Centre.

**Comms Team Award** - Our Communications team won the Small Team of the Year Award at the National Comms2point0 awards that were held in Birmingham on Friday 2 December. The judges said that it was “An excellent entry – the epitome of small team doing big strategic thinking and many other things! Entry has flair, style and character, showing the belief in what they are doing.” The Communications Manager will now be invited to present at a national masterclass in the New Year, showcasing the great work the team has done.

**Legal Services** – During Quarter 3, our Legal Services team successfully defended an appeal against conviction and sentence for 6 offences of breaching coronavirus regulations, completed a successful health and safety prosecution and supported practical completion of the AMP build contract by resolving the outstanding issue regarding collateral warranties which enabled the building to be handed over to the council.

**Gedling Legal** – the Gedling Legal team have taken on a further 10 new external matters which will contribute to their income generation target.

**Single Persons’ Discount Review** - Review of all cases of single persons’ discount has been concluded in Revenues Services. Cancellations are still incoming, so results not yet known. The purpose of the review is to maximise revenue and reduce occurrences of fraud.

## **Maintain a positive and supportive working environment and strong employee morale**

**Corporate Debts Support Team creation** - A new central support point for all lead officers and invoice raising officers across the Council has been created and is being managed by the Revenues Services team. This provision includes debts advice surgeries for officers and “masterclass” training sessions on specific administrative tasks.

**Policy development** - In the last quarter there have been several policy changes that have been positive from an employee and employer perspective. These include:

- Implementation of enhanced payments for employees undertaking stand-by and callout duties on Boxing Day when it falls on a weekend.
- The standardisation of weekend overtime payments to teams in Environmental Services when their work is prevented from taking place due to Bank Holidays.
- The introduction of the Council’s first Fostering-friendly Policy. This supports employees who are foster carers through the award of additional leave at critical times during the adoption process. We are one of the first

district councils in the county to have such a policy and the proposals have been supported by Members, unions and our employees.

- Senior Leadership Team has brought in changes to our pay line to help our lowest-paid employees. The lowest pay points (points 1 to 4) have now been removed and this means that our lowest paid jobs are now at Band 3 on pay point 5. The changes are back dated to April and the payments are being made in December's salaries.

### **Improve use of digital technologies**

**ICT Projects and Upgrades** - A number of projects and upgrades have been completed in this quarter, including:

- Iken (Legal) System Upgrade
- Firewall Replacement
- Leisure System Replacement
- Q-Matics (Queuing System) replacement with 365 tools
- Office 365 authentication protocol changes

## **Vibrant ECONOMY**

### **Ensure a robust strategic development framework is in place**

**Authority Monitoring Report** - The 2021/22 Authority Monitoring Report was published in December 2022 to provide background information on the social, environmental and economic characteristics of the Borough; to assess progress on the preparation of the Council's planning policy documents and to monitor the extent to which Local Plan policies are being successfully implemented. [AMR2021-22.pdf \(gedling.gov.uk\)](#)

**Five Year Land Supply** - All local planning authorities in England are requested to establish whether we have a five year supply of housing land and the Council's 2022 report was published in October 2022. The Assessment shows that against the housing target, Gedling Borough Council has a 7.25 year supply of land for housing. [Final Interim Planning Policy First Homes for web.pdf \(gedling.gov.uk\)](#)

### **Provide more homes**

**Empty Homes Review** – the empty homes review has been concluded in Revenues Services with the purpose being to maximise the opportunity for receipt of new homes bonus funding from government. The review was concluded in time for the cut off point for receipt of maximum funding.

**First Homes** - An Interim Planning Policy Statement on First Homes was published in October 2022 to set out the Council's approach to delivering First Homes within Gedling Borough. [Final Interim Planning Policy First Homes for web.pdf \(gedling.gov.uk\)](#)

## **Drive business growth, workforce development and job opportunities**

**Supported Internship Programme** - The Council's first supported intern is currently working in the Revenues Services team. The team is able to offer support to the intern to better her future chances of employment and the intern provides administrative support to the team. Feedback is very positive and the intern is showing clear development and acquisition of key skills as well as growing in confidence.

**Cohort 1 Business Grants fully completed** - All post payment assurance audits and reconciliation exercises for cohort 1 of the Covid-19 business grants schemes have been completed and signed off by the Department for Business, Energy and Industrial Strategy.

**Jobs Fair** – we delivered a jobs fair during quarter 3 with 25 stall holders and around 100 people attended throughout the day. Feedback was really good from stall holders and jobseekers alike with one stall holder saying it's the best jobs fair they have been to since Covid and would definitely be encouraging other departments to attend.

**Mock Interviews** – We organised and delivered mock interviews for over 300 pupils ranging from year 10 to year 13. Local business leaders, councillors and GBC staff attended and gave up their time to support the young people of the borough as part of our ongoing commitment to make sure young people get real life opportunities to prepare them for work.

## **Create thriving and vibrant town and local centres**

**Completion of the new Arnold Market Place (AMP)** - The AMP, the £4 million flagship business development in Arnold Town Centre, has officially been completed and handed over to Gedling Borough Council. The building is now the new home to several new business start-ups as well as the Post Office, who were the first business to open its doors to the public. There is a wine tasting experience outlet, a cat and dog accessory and treats store, a cake shop and a delicatessen to go alongside the Post Office, which has relocated from nearby Worrall Avenue.

# Sustainable ENVIRONMENT

## **Provide an attractive and sustainable local environment that local people can enjoy**

**Colwick Rectory Play Area funding** – funding to improve Colwick Rectory Play Area has been secured from FCC Communities Foundation, a not-for-profit business that awards grants for community, conservation and heritage projects from funds donated by waste and resource management company FCC Environment through the Landfill Communities Fund. FCC Communities Foundation will be providing a grant total of £99,466.

Local school children from Netherfield Primary School and St John the Baptist Primary School in Colwick, took part in a consultation with the council to have their say and give suggestions for what they wanted to see at the site.

In addition to the existing equipment at the park, the improvements will see new facilities added including a wheelchair accessible roundabout, zip wire, trampoline, a multi play unit with 17 different features, new swings and more. The funding bid to FCC was made jointly by Gedling Borough Council and Colwick Parish Council and works are due to start in the New Year.

**Green Lung Tree Trail** - A tree trail at Digby Park, Mapperley, has officially opened as part of Gedling Borough Council's commitment to protect and create a sustainable environment. The trail was opened to coincide with National Tree Week, an annual celebration where the country's conservation sector, volunteer groups and tree-lovers come together to plant thousands of trees to mark the start of the annual tree planting season.

### **Promote and protect the environment by minimising pollution and waste and becoming carbon neutral**

**Corporate Environmental Policy** - The council's Cabinet adopted a new corporate Environmental Policy Statement which embeds an environmentally conscious culture and behaviours within the council. The policy applies to staff and members and will enable a corporate approach to protecting the environment on the journey towards Net Zero carbon emissions. The same report also noted the establishment of a new Corporate Environment Group where Heads of Service and the council's Climate Change Officer meet quarterly to progress corporate actions to deliver the council's carbon management strategy and action plan.

Heads of Service and key managers across the council attended Carbon Literacy Training to raise awareness and understanding of the challenges presented by climate change and to pledge to take action to protect the environment. Further carbon literacy training is to be rolled out to the Council's Cabinet members and Managers who could not attend the first session.

## **HEALTHY lifestyles**

### **Improve health and wellbeing and reduce health inequalities**

**The Strategic Review of Community Facilities** has made good progress during quarter 3. This has included extensive stakeholder engagement with key partners and a resident survey that attracted 600 responses. Data and insight on physical activity behaviour and health inequalities and national and local strategic priorities has also been gathered for further analysis to inform the final Strategy.

## **Support physically active lifestyles**

**Swim Stars Swim Galas** - To celebrate the incredible progress of young people learning to swim in the borough, Arnold and Carlton Forum Leisure Centres ran a fun Swim Stars gala prior to Christmas which gave learners the chance to complete in a fun and supported environment. Over 140 children on stages 3 and above took part, and all participants were given a souvenir swim gala medal

*“My son attended the swimming gala today at Arnold Leisure Centre (21.12.22). I just wanted to say how enjoyable this was for all. In Thankyou to the fantastic swimming instructors who encourage and teach the children week after week and then organise such a great event for them. It was very well staffed, really well organised and the children received not only a medal at the end with a lovely presentation, they also received a great deal of encouragement and support during the races. Thank you to all the staff involved, the Council should be very proud of them.” Kate, Arnold.*

**Launch of Online Leisure Joining** - With the introduction of the new leisure management system in September, the leisure facilities have now launched online joining for residents to be able to apply for their Gedling Leisure cards and DNA health and fitness memberships online. The benefits of this new functionality means a more efficient process for residents to join the scheme as well as reducing the amount of paper used at sites on membership forms.

**Carlton Insight** - Funding has been secured from Jigsaw Homes (via Active Notts) to fund a Carlton Community Connector for one day a week (for two years). The role will build on the insight from the Physical Activity work in Carlton and will focus on connecting older residents into the local community, whilst supporting their health and wellbeing and encouraging them to become more active.

**Falls Prevention Pilot Classes update** - The 12 week pilot phase of the Falls Prevention Classes is now complete. Outcomes including participants seeing a noticeable increase in their mobility and confidence to be able to get up from the floor unassisted. Other outcomes include participants make new friendships and gaining valuable information in the social element that follows the exercise session. Sessions are due to continue in 2023.

## **Increase recreational activities**

**Engaging with young people at the Bonington Theatre** - The Bonington Theatre showed two performances of the Royal Shakespeare First Encounters shows which aim to give 7-13 year olds a fantastic first experience of Shakespeare whilst also being brilliant introductions for anyone new to his work, bringing the plays to life on stage in just 90 minutes. A screening of the Triangle of sadness film at the end of December targeted at 16 to 25yr olds also proved popular increasing visits from this age group by 2% compared to normal screenings.

## **Reduce levels of loneliness and isolation**

**Member's Grants Award** - 45 grants in the region of £14,558, have been awarded to various community groups for example Parkinson's UK, Emmanuel Church, Willow Farm Primary School, St. Helen's Church (Burton Joyce), Westdale Lane Baptist Church, Friends for Life, Aye Up Mi Duck, Burton Joyce Primary School PTA, Woodborough Celtic Youth FC, Drone to Home, Ravenshead Parish Council, Newstead Parish Council, Papplewick Village Fayre Group, Linby Parish Council, Burton Joyce & Bulcote Local History Group, We R Here,, Mellish Rugby Club, Arnold in Bloom, Arnold Foodbank, All Hallows Church, Gedling Conservation Trust.

**Community E Newsletters** – Two Community E-Newsletters were circulated to 7k community contacts between October and December. Information Shared included sharing of the Warm Spaces in Gedling initiative, Armed Forces Breakfast Club, survey about activity levels, parks and leisure services, veteran's survey, Woodthorpe library improvement fund, Carlton and Gedling U3A.